

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 383 - HB 700

March 4, 2017

SUMMARY OF BILL: Exempts local education agencies (LEAs) from paying storm water user's fees.

ESTIMATED FISCAL IMPACT:

Decrease Local Revenue – Exceeds \$1,000,000

Decrease Local Expenditures – Exceeds \$1,000,000

Assumptions:

- Municipalities which construct, operate, or maintain storm water or flood control facilities are authorized under current law, pursuant to Tenn. Code Ann. § 68-221-1107, to establish and assess graduated storm water user's fees based on each person's actual or estimated contribution to storm water runoff.
- Under current law, pursuant to Tenn. Code Ann. § 68-221-1107, persons whose storm water runoff is not discharged into or through the municipal storm water or flood control facilities and owners or operators of agricultural land satisfying certain requirements are exempted from paying municipal storm water user's fees.
- The proposed language would expand the list of entities exempted from paying user's fees to include all LEAs.
- Pursuant to Tenn. Code Ann. § 49-1-103, "LEA" means any county school system, city school system, special school district, unified school system, metropolitan school system, or any other local public school system or school district created or authorized by the General Assembly.
- LEAs are considered a local government entity; therefore, any decrease in local government revenue collected by municipalities for exemption of LEAs from paying storm water user's fees will result in a corresponding decrease in local government expenditures by LEAs for payment of such storm water user's fees.
- Based on information received from the City of Chattanooga, the city currently receives \$306,708 per year in storm water user's fees from public K-12 schools within their jurisdiction.
- Due to multiple unknown factors, such as the number of municipalities currently operating and maintaining a storm water facility and the extent of graduated user's fees currently charged to and expended by LEAs, a precise recurring decrease in local

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government revenue and corresponding recurring decrease in local government expenditures cannot be specifically determined, but is reasonably estimated to exceed \$1,000,000, resulting in a net impact to local government which is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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